

MUTUAL *versus* STOCK.

A PAMPHLET on Life Insurance, under the above title and bearing the imprint of "R. W. Gale, General Agent of the Equitable Life Assurance Society of the United States," having been put in circulation here, the following observations are offered in reply, together with some remarks concerning the principles, operation, and results of Life Assurance as now practised.

The extracts from the paper under consideration are copied *verbatim* from the pamphlet.

The publication under notice owes its origin to the organization of a Life Assurance Company in the United States, having its chief office at Washington. D. C., which it was designed to counteract, and to which alone the strictures it contains have any pertinence. Had the remarks been confined to this Company, or the circulation been restricted to its original field, others would have no cause of complaint; but as a use has been, and is now made, of these statements foreign to and beyond their original design and scope, and as they are utterly untenable, it is fitting that the public should be disabused of the false impressions which such writings tend to create.

The pamphlet is addressed "To the Bankers and Capitalists of the United States," and is designed to represent the scheme of Mutual Life Assurance, "as a means of securing long, reliable, and profitable investments for surplus funds," as distinguished from Life Assurance in a Proprietary Company, and it is alleged that "The former may be made available for accumulative investments to the fullest extent, while the latter cannot, except in a very limited way."

The author "describes the two systems and their distinguishing features," as follows:—

"In the *Stock* or *Proprietary* system of Life Insurance, ALL the profits made by the Company in the business are divided among the STOCKHOLDERS."

"In the *Mutual* system ALL the profits are divided among the Policy-Holders themselves."

It will be shewn that these statements, when applied to Life